

Message Text

LIMITED OFFICIAL USE

PAGE 01 ROME 10165 011942Z

ACTION EUR-12

INFO OCT-01 ISO-00 SOE-02 AID-05 CEA-01 CIAE-00
COME-00 DODE-00 EB-08 H-01 INR-10 INT-05 L-03
NSAE-00 NSC-05 OMB-01 PM-05 ICA-11 OES-07 SP-02
SS-15 STR-07 TRSE-00 ACDA-12 IO-13 NRC-05 CEQ-01
/132 W

-----039726 021128Z /15

R 011611Z JUN 78

FM AMEMBASSY ROME

TO SECSTATE WASHDC 3205

U.S. DEPT OF ENERGY WASHDC

LIMITED OFFICIAL USE ROME 10165

DEPARTMENT PLEASE PASS TO MARTIN/FSE, BORIGHT/OES, DOE FOR BORRE
AND VANDERRYN (IA), MORT PRINCE (ET) FRED MORSE AND GERALD
LEIGHTON (CS)

E.O. 11652: N/A

TAGS: ENRG, IT

SUBJECT: NON-TECHNOLOGICAL BENEFITS OF U.S.- ITALY ENERGY COOPERATION

1. SUMMARY. IN RESPONSE TO NUMEROUS QUERIES, THE MISSION WOULD LIKE
TO CLARIFY HERE THE NON-TECHNOLOGICAL BENEFITS OF ENERGY COOPERATION
WITH ITALY AS WELL AS TO INDICATE HOW THESE BROADER BENEFITS SHOULD
AFFECT DECISION-MAKING. WE WOULD CHARACTERIZE THE NON-TECHNOLOGICAL
BENEFITS AS EITHER POLITICAL OR COMMERCIAL. THESE NON-TECHNOLOGICAL
BENEFITS SHOULD NOT BE REGARDED AS IN THEMSELVES SUFFICIENT TO JUSTIFY
ENERGY COOPERATION, BUT THE MISSION BELIEVES THAT SOME BILATERAL PRO-
JECTS WILL APPEAR TO BE IN THE NATIONAL INTEREST IF WE ADD TO THE
TECHNOLOGICAL BENEFITS SOME CONSIDERATION OF THE POLITICAL AND
COMMERCIAL BENEFITS. END SUMMARY.

2. THE POLITICAL BENEFITS DO NOT REPEAT NOT LIE IN THE INFLUENCE

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ROME 10165 011942Z

U.S. INITIATIVES MAY HAVE ON ELECTORAL POLITICS. WE DO NOT REPEAT
NOT BELIEVE THAT BILATERAL ENERGY COOPERATION CAN HAVE ANY SUBSTANTIAL
DIRECT INFLUENCE ON THE RELATIVE STRENGTHS OF POLITICAL PARTIES.
RATHER, THE POLITICAL BENEFITS LIE IN TWO OTHER AREAS: FIRST,
IN REDUCED ITALIAN DEPENDENCE ON POTENTIALLY HOSTILE ENERGY
SUPPLIERS; SECOND, IN AN ENHANCED IMAGE FOR THE U.S., ESPECIALLY

IN RELATION TO NON-NUCLEAR TECHNOLOGIES.

3. SO FAR AS REDUCED ITALIAN DEPENDENCE IS CONCERNED, THE ARGUMENT IS STRAIGHTFORWARD: A LESS OIL-DEPENDENT ITALY WOULD BE A STRONGER NATO ALLY AND A FIRMER FRIEND IN TIMES OF CRISIS. THE DIFFICULTY LIES IN EVALUATING THE LONG-TERM CONTRIBUTION THAT BILATERAL COOPERATION IS LIKELY TO MAKE IN REDUCING ITALIAN OIL DEPENDENCE. WE SHOULD, HOWEVER, REMEMBER THAT THE U.S. ATOMS-FOR-PEACE PROGRAM OF 20 YEARS AGO DID HAVE A BIG IMPACT AND CAN BE CLEARLY SEEN IN THE ITALIAN SITUATION TODAY: HOWEVER, TROUBLED, ITALY'S BEST PRESENT HOPE FOR REDUCING OIL DEPENDENCE IS STILL THE NUCLEAR POWER PROGRAM, WHICH IS BASED LARGELY ON AMERICAN KNOW-HOW, AMERICAN TRAINING FOR ITALIAN ENGINEERS, AND AMERICAN HEALTH AND SAFETY REGULATIONS. IF WE COULD NOW HELP THE ITALIANS TO A COMPARABLE DEGREE IN NON-NUCLEAR TECHNOLOGIES, WE MIGHT HAVE A SUBSTANTIAL IMPACT ON REDUCING ITALIAN ENERGY DEPENDENCE BY THE YEAR 2000.

4. THE U.S. IMAGE ISSUE ARISES IN LARGE PART FROM OUR EARLIER MASSIVE SUPPORT TO NUCLEAR POWER. WHILE THE ITALIAN LEADERSHIP OFTEN QUESTIONS THE U.S. COMMITMENT TO NUCLEAR POWER, THE GENERAL POPULATION GENERALLY VIEWS THE U.S. AS SINGLE-MINDED PURVEYOR OF NUCLEAR TECHNOLOGY. OUR SOLAR AND CONSERVATION PROGRAMS ARE LARGELY UNKNOWN. IN FACT, PROponents OF SOLAR, CONSERVATION AND NON-NUCLEAR SOLUTIONS IN GENERAL CAN STILL LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 ROME 10165 011942Z

MAKE THEIR POINT IN THE PUBLIC EYE BY POSTURING AGAINST THE U.S., AND OPPONENTS OF THE U.S. FIND THEMSELVES LEANING ON SOLAR AND CONSERVATION AS PRIMARY ISSUES. A HIGHLY VISIBLE PROGRAM OF NON-NUCLEAR BILATERAL ENERGY COOPERATION COULD GO A LONG WAY TOWARD DECOUPLING ATTITUDES TOWARD SOLAR AND CONSERVATION FROM ATTITUDES TOWARD THE U.S.

5. ON THE COMMERCIAL BENEFITS OF ENERGY COOPERATION, WE WOULD LIKE AGAIN TO NOTE THE BROAD INFLUENCE OF OUR ATOMS FOR PEACE PROGRAM OF 20 YEARS AGO. UNTIL RECENTLY, NO RESPONSIBLE DECISION-MAKER IN ITALY WOULD HAVE THOUGHT OF BUYING ANYTHING BUT AN AMERICAN REACTOR. EVEN NOW THAT THE ITALIAN GOVERNMENT HAS INDICATED AN INTENTION TO PURCHASE TWO CANDUS. MANY KNOWLEDGE-ABLE PEOPLE IN ITALY DOUBT THAT IT CAN BE DONE. THE REASON IS THAT, EVEN THOUGH ITALY HAS ITS OWN EXPERIMENTAL HEAVY-WATER REACTOR, FEW ITALIAN ENGINEERS RESPONSIBLE FOR DESIGN, OPERATION OR SAFETY HAVE EXPERIENCE WITH ANYTHING BUT AMERICAN LWRS. IT IS ALMOST IMPOSSIBLE TO FIND ANYONE IN THE NUCLEAR BUSINESS WITHOUT SEVERAL YEARS EXPERIENCE IN THE U.S.

6. LOOKING FORWARD TEN OR TWENTY YEARS, IT WOULD CLEARLY BE OF ENORMOUS BENEFIT TO THE U.S. IF, FOR EXAMPLE, SOLAR

ENGINEERS ABROAD HAD A COMPARABLE FAMILIARITY WITH THE TECHNOLOGIES DOE IS NOW WORKING SO HARD TO DEVELOP. IN ITALY AND OTHER COUNTRIES WHERE THE WORLD OIL PRICE PREVAILS, SOME OF THE NEWER TECHNOLOGIES ARE ALREADY ECONOMIC, INCLUDING SOLAR HOT WATER HEATING AND ELECTRICITY FROM URBAN WASTE COMBUSTION. AMERICAN TECHNOLOGY WILL NOT EASILY BREAK INTO THESE RAPIDLY DEVELOPING MARKETS UNLESS MAJOR EFFORTS ARE MADE TO PROMOTE FAMILIARITY WITH IT AMONG FOREIGN ENGINEERS. BILATERAL COOPERATION IS A FINE WAY OF ACHIEVING THIS FAMILIARITY.

7. IF THESE BROADER POLITICAL AND COMMERCIAL BENEFITS EXIST, THE QUESTION STILL REMAINS, "HOW SHOULD THEY AFFECT DECISION-MAKING ON INTERNATIONAL ENERGY COOPERATION?" OUR ANSWER, IN BRIEF, IS "MARGINALLY." WE DO NOT BELIEVE THAT INTERNATIONAL LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 ROME 10165 011942Z

ENERGY COOPERATION CAN SURVIVE LONG UNLESS THERE IS SUBSTANTIAL INTEREST ON THE PART OF U.S. SCIENTISTS AND ENGINEERS. THEIR INTERESTS WILL BE PRIMARILY TECHNOLOGICAL. THUS, WE BELIEVE IT WOULD BE PRUDENT TO ENTER INTO ENERGY COOPERATION JUSTIFIED ON BASES OTHER THAN TECHNOLOGICAL ONLY IN AREAS WHERE THE ITALIANS SHOW STRONG SIGNS OF INTEREST AND CAPACITY TO EXPAND TECHNICAL EFFORTS RAPIDLY. WE REGARD OUR PRESENT SERIES OF BILATERAL MEETINGS AS AN EFFORT TO SORT OUT WHICH OF THE AREAS FOR ENERGY COOPERATION TRULY MERIT CONSIDERATION UNDER THE FOREGOING ASSUMPTIONS. GARDNER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ENERGY, TECHNOLOGICAL EXCHANGES
Control Number: n/a
Copy: SINGLE
Draft Date: 01 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978ROME10165
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780231-0124
Format: TEL
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197806107/aaaadnvd.tel
Line Count: 146
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 50cc417d-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 09 feb 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2159541
Secure: OPEN
Status: NATIVE
Subject: NON-TECHNOLOGICAL BENEFITS OF U.S.- ITALY ENERGY COOPERATION
TAGS: ENRG, IT, US
To: STATE DOE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/50cc417d-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014